

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

AFFIDAVIT



09/267,025

I, Benjamin W. Icard, being duly sworn, hereby testify as follows:

1. I am an individual resident of Mecklenburg County, North Carolina, and President of Clear Choice Marketing, Inc., a North Carolina corporation with its principal office and place of business at 10920 Southern Loop Boulevard, Pineville, North Carolina 28134. I am over the age of 18, under no disability or infirmity, and believe in the obligations of an oath. I have personal knowledge of the events set forth herein.
2. I have sold one-way vision advertisement products since September 4, 1991, initially with Visual Technologies, Inc., a North Carolina corporation, whose President is my wife, Linda M. Icard. At that time I was selling an unperforated one-way vision product under the trademark Contra Vision®.
3. I have been the President of Clear Choice Marketing, Inc. since September 1, 1993. Clear Choice Marketing, Inc. sells advertising products, mainly one-way vision perforated advertisement panels manufactured by Visual Technologies, Inc., for application to windows.

4. On or about 14 and 15 August, 1993, I attended meetings in San Francisco with my wife, Linda M. Icard, and Rodney M. Shields, Gregory E. Ross and Michael Luckman (hereinafter referred to as the August, 1993, meeting). These three gentlemen represented themselves to be the principal officers and stockholders of ImagoImage, Inc. of Walnut Creek, California. My wife and I were considering taking a license from ImagoImage, Inc. for perforated materials to be imaged to form one-way vision advertisements. They demonstrated to us perforated assemblies comprising:

- (i) a white vinyl film membrane,
- (ii) a light-reflective image applied to one, external surface of the white vinyl film surface, we were told by means of the 3M Scotchprint™ electrostatic transfer process (we were told imaging had also been done by airbrush sprayed paint),
- (ii) a light-absorbing layer applied to the other surface of the white vinyl film membrane, in the form of a gray, pressure-sensitive adhesive,
- (iii) a protective liner removably adhered to the gray pressure-sensitive adhesive, which could be removed to enable the remaining parts of the assembly to be adhered to the outside of a window to form a one-way vision panel, the design being clearly visible from outside the window but the assembly allowing good through viewing from the inside to the outside of the window.

We were advised that this type of assembly had been used for advertising on bus windows, imaging either being done by the 3M Scotchprint™ electrostatic transfer process or sprayed paint.

I have read the claims being sought in reissue of US Patent No. 5,609,938 (hereinafter referred to as the '938 patent) in an application filed March 11, 1999. The products shown to me and my wife, as described above, undoubtedly exhibited each and every required feature of proposed claim 15.

At these meetings, my wife and I outlined our experience in making and selling unperforated one-way vision products under license from Contra Vision North America, Inc. My wife explained that for advertisements for retail windows, it was desirable to have the advertisements at retail premises on the inside of the windows. She proposed the solution to Messrs Shields, Ross and Luckman of a transparent perforated vinyl film and a clear pressure-sensitive adhesive. The design would be printed in reverse onto the perforated, transparent vinyl, followed by layers of white then black ink. When the protective liner was peeled off and the advertisement was applied to the inside of a window, the design could be seen "right reading" through the window glass, through the clear adhesive and through the transparent, perforated vinyl. The black layer would enable a good view out of the window.

My wife then pointed out that the perforated assembly material shown to us by Messrs Shields, Ross and Luckman would be entirely unsuitable for the mass production of

retail advertisements by screenprinting, as the holes through the assembly both prevented the perforated assembly being held down on a vacuum bed during operation of the screenprinting "squeegee" and, also, ink could be sucked into the vacuum system. She then suggested that this deficiency could be overcome by applying a non-perforated pressure-sensitive "self-wound tape" to the back of the perforated protective liner, which would hold the suction being applied by the vacuum bed and catch any ink that passed through the perforation holes of the perforated assembly. This non-perforated layer could be incorporated on the opaque vinyl perforated assembly for exterior mount or a clear, transparent vinyl for interior mount. My wife therefore conceived the invention of the '938 patent claim 1 comprising:

- (i) a perforated transparent panel formed of a flexible plastic sheet material,
and
- (ii) a non-perforated backing layer removably attached to a perforated
protective liner.

It was clear from their reactions at the meeting that neither Mr Shields, nor Mr Ross nor Mr Luckman had ever recognized either of these two deficiencies in their perforated assembly and had therefore not thought of, and did not think of, my wife's solutions to the two problems outlined above.

5. As a result of the August, 1993 meeting, Clear Choice Marketing, Inc. was offered a license in a fax of August 16 from ImagoImage, Inc., signed by Mr Greg Ross, attached in Exhibit A hereto. I signed a License Agreement on September 16, 1993

with ImagoImage, Inc., a copy of which is included in Exhibit A, to manufacture and sell perforated materials. This License Agreement included an Addendum which I negotiated, this negotiation accounting for the delay in signing the license agreement. My wife and I were concerned that the perforated assemblies might be infringing the US Patent No. 4,673,609 (hereinafter referred to as the '609 patent) and I insisted that the License Agreement 8.1 included an indemnification against infringement and that the '609 patent was added to Exhibit B of the Addendum. The License Agreement stated that Clear Choice Marketing, Inc. had the right to sell ImagoImage™ products to other licensees, which were categorized as Selling Licensees or User Licensees. A Selling Licensee was intended to typically be an advertising agency that would buy the product from Clear Choice Marketing, Inc. and then resell it to Users (Coca-Cola, RJR, etc.) that would use the product to promote their own goods at retail. A User Licensee was intended to be an advertiser, such as Coca-Cola, RJR, etc. ImagoImage, Inc. had no such Selling Licensees or Users Licensees at this time. It was ImagoImage, Inc.'s hope to license customers of Clear Choice Marketing, Inc. after they became customers. There was no attempt to restrict our potential customers. There was positive encouragement by ImagoImage, Inc. for us to sell to any potential customers. This aspect of the license was therefore never appropriate or enforced. To my knowledge, ImagoImage, Inc. never had any such Selling Licensees or User Licensees. ImagoImage, Inc. was advised by me that all royalties should be weighted into the Clear Choice Marketing, Inc. selling price and that it would not be practical to attempt to license parties or collect royalties "down stream." No restrictions on sales were communicated to me by ImagoImage, Inc. I was encouraged to sell licensed products

on the open market. The license agreement was counter-signed by Rodney Shields on September 17, 1993, as president of ImagoImage, Inc. Rodney Shields claims to be the inventor of US Patent No. 5,609,938, which issued as a continuation-in-part from the Licensed Patent Application "Image Display Apparatus" (P3 in the License Agreement), which I believe was US Patent Application Serial No. 81,728, June 23, 1993. The "Recitals" state that the "Licensed Patent Rights" included any continuation-in-part of the Licensed Patent Application. Royalties were payable under this License Agreement, as well as an "Initial Payment" of fifty thousand dollars (\$50,000.00).

6. As encouraged by Mr Ross, Mr Shields and Mr Luckman at and following the August, 1993 meeting, I immediately began to promote the concept of one-way, perforated, self-adhesive window graphics, to a large number of customers to whom I had previously sold or promoted the unperforated form of one-way see-through graphics products under the trademark Contra Vision® in my former selling role with Visual Technologies, Inc. I sold white-on-black perforated self-adhesive assembly material for bus window advertisements, either having a perforated white vinyl facestock, a perforated black pressure-sensitive adhesive layer and a perforated release liner or having a white vinyl laminated to black vinyl facestock, a perforated clear pressure-sensitive adhesive layer and a perforated release liner. These materials were sold from August 16, 1993, for imaging by the 3M Scotchprint™ process or for imaging on site by airbrush paint, before removal of the perforated release liner and application to the bus windows. Exhibit E includes publicity material provided to me by ImagoImage, Inc. including newspaper reports of perforated self-adhesive assemblies

on a RoboBus (see photocopies in Exhibit E of the "Press-Telegram Local News" of August 11, 1993, and "The Christian Science Monitor" dated August 17, 1993). I do not believe it would have been possible to supply such buses with imaged perforated self-adhesive assemblies and apply them to windows without disclosing all aspects of their layered construction, method of application and resultant visual effects to those applying the products, the public in the bus depots where this work was undertaken and any onlookers. I used this publicity material to promote sales of the white-on-black perforated assemblies for buses in August and September, 1993, until we had pictures and articles on our own projects such as the buses for the Charlotte Hornets.

Exhibit C includes documentation of actual sales of such bus advertising materials to Las Vegas Hilton (Day Graphics), David Taylor, TANK Transit Authority, Phoenix Transit, Von Art, WTVD, Graphics International and Tulsa Transit (Market Media) all shipped before the end of September 1993. Exhibit F is a photocopy of an article in Adweek of November 29, 1993, of a Charlotte Hornets bus window advertisement painted on ImagoImage™ white-on-black perforated self-adhesive assembly supplied by me. Exhibit F also includes documentation of this sale, including the Purchase Order dated September 27, 1993, from the Sterrett Tucker Agency for "Imago for Paint Buses... Imago product to cover windows and door panels of four (4) Flexible city buses at a cost of \$1,200 (net) per bus. Total price \$4,800 net," the "ImagoImage Job Sheet" of September 27, the invoice of September 29, 1993, and a check for one of those buses for \$1,200.00, dated November 2, 1993.

I have seen a copy of the declaration of Abigail Parker (nee Dickie), dated July 17, 1999. I was also acquainted with Deborah Mintz of Airport Cruiser of Buena Vista, CA who was a customer of mine. I supplied the perforated white-on-black assembly referred to also as ImagoImage™ to her. The product supplied to Airport Cruiser was as follows:

- (i) a perforated facestock of white vinyl laminated to black vinyl
- (ii) a perforated pressure-sensitive adhesive
- (iii) a perforated liner.

Supporting information of this sale is given in Exhibit C, including proof of the shipment date, September 24, 1993, and a copy of the payment check dated September 27, 1993, from Rank Leisure USA, Inc., who were the advertiser of "Wild Bill's" referred to on the invoice dated September 24, 1993, and visible as an advertisement on the "Airport Cruiser Bus" photographs in Abigail Parker's Declaration, Exhibit A, Figs. 1 and 11, which include the date of October 6, 1993.

I believe that all these bus window sales were imaged and applied to bus windows before October 18, 1993, owing to the short lead time for bus advertising projects.

I also sold perforated self-adhesive advertisement assemblies of the following types to Point-of-Purchase customers:-

- (i) Exterior mount perforated white-on-black products described above but having a non-perforated self-adhesive self-wound tape backing layer. The

white-on-black point-of-purchase products I sold included products with a white vinyl, a black pressure-sensitive adhesive and a release liner, all perforated, with a non-perforated backing layer or a white vinyl laminated to a black vinyl, a clear pressure-sensitive adhesive and a release liner, all perforated, with a non-perforated backing layer. The design was printed on the white surface.

- (ii) Interior mount perforated clear, transparent self-adhesive vinyl assembly as suggested by my wife, comprising a clear, transparent vinyl facestock, a clear pressure-sensitive adhesive and a release liner, all perforated, with a non-perforated backing layer. The design was printed in reverse on the transparent vinyl including a layer of white ink followed by a layer of black ink.
- (iii) Interior mount perforated clear, transparent static cling vinyl assembly with a perforated release liner and a non-perforated self-adhesive self-wound tape backing layer. The design was printed in reverse on the transparent vinyl including a layer of white ink followed by a layer of black ink.

One of these point-of-purchase customers was Glover Advertising, Inc., an advertising agency specializing in point-of-purchase advertising, who had purchased the non-perforated Contra Vision[®] one-way graphics product but were seeking a cheaper product. "Old Joe" Joe Camel advertisement assemblies were made by Visual Technologies, Inc., in September, 1993, an offcut of one forming Exhibit B. This "Old Joe" assembly comprises a perforated panel assembly including a perforated

transparent vinyl facestock, a perforated layer of clear pressure-sensitive adhesive and a perforated protective liner, attached to which is a non-perforated self-adhesive, self-wound (sometimes referred to as a transfer tape or application tape). The "Old Joe" advertisement image is reverse printed onto the exposed surface of the clear perforated vinyl facestock, followed by a white ink layer and then a black ink layer. The composite liner of the perforated protective liner and the non-perforated application tape are removed when it is required to apply the advertisement to the inside of a window, whereupon the advertisement can be seen from the outside of the window but a substantially transparent view is obtained from inside the window.

Initially, I demonstrated the "Old Joe" advertisement assembly to Glover Advertising, Inc., initially by showing the product to Sonny Lacy, Glover Advertising Inc.'s local sales representative, who visited Visual Technologies, Inc., for this purpose on or about September 28, 1993. At that meeting, I demonstrated the removal of the perforated liner with the non-perforated backing layer and the attachment of the product to the inside of the glass entrance door to Visual Technologies, Inc., where he saw visibility of the advertisement from outside the building and the through-viewing capability from inside the building. There were many samples of this product and Mr Sonny Lacy studied one assembly carefully and took apart each removable component, including the non-perforated backing layer, to fully understand the construction that Glover Advertising, Inc. would be buying. He took several of the "Old Joe" products with him to demonstrate this "Old Joe" product to R J Reynolds Tobacco Co. In addition, I asked him to obtain R J Reynolds' permission for me to use the "Old Joe" perforated

advertisement assemblies to present the concept to other companies, this "Old Joe" image being previously used artwork and not confidential. That week commencing Monday, September 27, 1993, I received confirmation that he had demonstrated an "Old Joe" perforated advertisement assembly to R J Reynolds and he had obtained their permission for me to present the "Old Joe" perforated advertisement assemblies to others. On or about September 27, 1993, I presented Imagolmage perforated advertisement assemblies to Margaret Richman of Coca-Cola Fountain in Atlanta, GA. I asked Visual Technologies, Inc. to prepare a number of "Old Joe" perforated advertisement assemblies mounted onto clear plastic to demonstrate the product as if mounted to window and I sent one of these to Margaret Richman with my follow-up letter of October 1 in Exhibit D.

Other "Old Joe" perforated advertisement assemblies were shipped to Chris Becker of Glover Advertising, Inc., Head Office in Secausus, NJ. Several of these same products were later returned, an offcut of one of these "Old Joe" assemblies being attached as Exhibit B.

Soon after I obtained printed "Old Joe" products, I took one to the Circle K convenience store on Nations Ford Rd., in Charlotte, NC and removed the liner with the perforated and non-perforated layers and applied the perforated window advertisement to a window. My wife, Linda Icard, took the photographs, photocopies of which are shown in Exhibit H before the end of September, 1993. I used these photographs as a promotional device from then on, typically by providing color copies of the photographs

or actual photographic prints to potential customers. A color copy of these photographs was enclosed with my letter (see Exhibit D) of September 28, 1993, to Ms Tonya Gowan of Tropicana Products and with my letter of October 1, 1993, to Earl Polmer Brown as identified following "Enclosures" by "CC-Camel," the "CC" standing for Color Copy and "Camel" standing for the above "Old Joe" Camel advertisement installation illustrated in Exhibit H.

7. Exhibit D includes copies of letters selling the perforated ImagoImage, Inc. assemblies. Under "Enclosures" in those letters "Card" or "B. Card" means my Business Card. "Imago Sheets" or "sell sheets" means promotional sell sheets supplied to me by ImagoImage, Inc. for the purpose of promoting ImagoImage™ products. See Exhibit I. The one titled "Imago: Image: Imagine:" states that ImagoImage, Inc. was already being used for bus window advertising and freezer doors, the latter bearing a "Dreyers Rocky Road Advertisement." The second "sell sheet" titled "Manufacturing Processes ImagoImage™ Product Overview" refers to advertisements on buses, taxis, trains and retail store windows, as well as freezer doors and "following is a brief description of our 4 proprietary manufacturing processes." The third "sell sheet" titled "Manufacturing Processes Imago ClearVue™" refers to perforated holes in adhesive-backed vinyl film and perforated static-cling material providing see-thru vision and superlative graphics including the imaging techniques of screen, lithography, offset and the 3M Scotchprint™ system. These sell sheets further illustrate that there was no attempt by ImagoImage, Inc. to keep secret the ImagoImage™ products and their imaging methods. I have seen the Affidavit of G Roland Hill dated November 4, 1999

and I confirm the "ImagolImage" sell sheets copied in Exhibit C to Roland Hill's Affidavit were examples of the set of such sell sheets that I had been provided with by ImagolImage, Inc. and which I freely distributed with the encouragement of ImagolImage, Inc. before October 18, 1993, as indicated in the "Enclosures" to the sales letters in Exhibit D.

The letter of September 8, 1993, to Mr Jason Silverstein of Via Max indicates that in the previous week I was selling to him ImagolImage™ perforated assemblies for World Cup promotions, including bus advertising applications and Sky Box murals. I enclosed with that letter photographs of a then current application at Walt Disney World, provided to me by ImagolImage, Inc. The construction of an ImagolImage™ product is disclosed and its alternative imaging methods, that bold, opaque graphics can be viewed from the outside and that clear vision out is maintained when viewed from the inside. I made the ImagolImage™ product available in sheet or roll form at \$5.40 per square foot.

The fax transmittal of September 9, 1993 to Bill Curio of Shadow Graphics, describes the white-on-black construction utilizing a black adhesive, enclosing the sell sheets described above.

The September 9, 1993 letter to Mr Don Cellars of Ilium Associates promoted the same construction and enclosed the ImagolImage™ sell sheets described above and a photocopy of a photograph of the Robocop bus and other bus photos.

The letter of September 13, 1993 to Ms Cheryl Lynn Rosen of Sony Munich enclosed a sample provided to me by ImagoImage, Inc. which had been 3M Scotchprint™ imaged.

The fax transmittal of September 14, 1993, to Larry Rudnick of Rudnick Associates was a proposal to sell ImagoImage™ advertisements, three color on white giving prices for a quantity of 4000 such advertisements in two different sizes.

The letter of September 21, 1993 to Mr Phil Pavoni of Brown & Williamson Tobacco Co. enclosed my "Imago Kit" of promotional literature and samples plus a picture of a "wrapped" bus, pricing (attached as second page) and a "Burger" sample that had been screenprinted and mounted onto a transparent material for me by Visual Technologies, Inc.. This "Burger" advertisement was of the type of construction described under (i) with a white-on-black laminated facestock, as described above.

The fax transmittal to Maria J Miefert of Innocom Corp. indicates that four pages were transmitted and attached to the cover page in our files are the attached three sell sheets.

The letters of September 28 to Ms Lee Anne Foster of Coca-Cola Nestlé Refreshment Co. and Ms Tonya Gowan of Tropicana Products have enclosures of a card, colour copy, hamburger sample and three sell sheets, all as described above.

The reference to "Raiders" in my letter to Coca-Cola Fountain of October 1, 1993, is to an exterior mount white-on-black perforated assembly (primarily for application to automobile rear windows) which had been made by Visual Technologies, Inc., Inc. and was enclosed with the letter. Similar white-on-black perforated assemblies were made of other sports teams, and distributed by me, including the "Hornets."

The letter of October 1, 1993, Mr Mike Ferraguna at Earl Polmer Brown, refers to the meeting I had with him the following Monday, October 4, at which I presented him with the full range of ImagoImage™ perforated products described above.

The reference in the letters of October 1, 1993, to Mr Mike Edge at the Georgia Lottery and Margaret Richman at Coca-Cola Fountain in the "Enclosures" to "2pr Braves" refers to two pairs of Funglasses® which are spectacles with Contra Vision® lenses, with the Atlanta Braves logo printed on them, nothing to do with a perforated assembly.

These three letters of October 1, 1993, and their enclosures were all shipped overnight delivery by UPS to arrive Monday, October 4, 1993.

8. Exhibit G includes a photocopy of an article in the P.O.P. Times of June 1994, and a promotional reprint of this article, illustrating an order for Gatorade perforated advertisement assemblies for the Marketing Corporation of America, shipped on January 31, 1994, and applied to the windows of convenience stores nationally from March 1994 onwards. These Gatorade advertisement assemblies comprised a


perforated assembly similar to the "Old Joe" product described above but with a non-perforated translucent plastic backing layer heat sealed to the perforated liner instead of the self-adhesive, self-wound tape used for the "Old Joe" product. In my opinion, the construction of the imaged, clear self-adhesive assembly, the removal of the perforated liner, the application to the window and the resultant features of a visible advertisement and a through view out were disclosed to the public by each and every such application. Exhibit C includes documentation in confirmation of this order. The mounted Gatorade sample referred to in the Declaration of Abigail Parker, dated July 17, 1999, Exhibit B, is an offcut of another mounted Gatorade product that I mailed at the beginning of 1994.

9. On July 21, 1994, we shipped an order for 900 signs, of the "Old Joe" graphic for Glover Advertising, Inc. as verified by the invoice dated July 21, 1994, in Exhibit C. Glover Advertising, Inc. resold the signs to RJR for field testing. These "Old Joe" assemblies were of slightly different construction to those printed in September, 1993, having the non-perforated backing layer of a translucent plastic film instead of the self-adhesive, self-wound application tape applied to those "Old Joe" products produced in September, 1993.

10. Clear Choice Marketing, Inc. also sold the perforated clear static cling, interior mount products prior to October 18, 1993, using vinyl samples produced on October 4, 1993, as described in the Visual Technologies, Inc. production calendar in Exhibit J. This consisted of a perforated clear, transparent facestock of static cling vinyl and a perforated liner with a non-perforated backing liner, the static cling vinyl having a design

reverse printed, followed by white and black printed layers. This composite liner was removable to enable the application of the perforated clear, transparent static cling vinyl to the inside of a window. One resultant order was sold to Designs Unlimited, as indicated by documents in Exhibit C, the invoice dated April 11, 1994, the purchase order from Designs Unlimited, Inc., the shipping document and the Clear Choice Marketing, Inc. "Imagolmage, Inc. Job Sheet" of March 22, 1994, for "II Static Cling Interior Mount," meaning the Imagolmage, Inc. interior mount clear, transparent static cling vinyl assembly.

11. I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code.


Benjamin W. Icard

COUNTY OF MECKLENBURG

Subscribed to and sworn before me, this the 11th day of November 1999

Sharon M. Davis

Notary Public

My Commission Expires: My Commission Expires January 31, 2001